

Comments:

Before the  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Complaint Regarding Postal Service Offering DOCKET # MC2012-26  
ENHANCED SERVICES PRODUCT FOR COMPETITIVE PO BOXES  
COMMENTS OF Robert P Krause Owner Mail Depot INC Virginia Beach , VA 23452  
July 26, 2012

The enhanced PO Box services currently being applied for by the Postal Service will create a competitive product and increase and already unfair competitive advantage.

Should the Commission decide to approve the new Enhanced PO Box services, I request that the CMRA regulations that the Postal Service has imposed on Mail and Parcel Center stores known as MPC's since 1999 be modified to remove the sections that currently place these privately owned MPC stores at a competitive disadvantage in competing with the Enhanced PO Box service that will be offered by the Postal Service. It is only fair to level the playing field for all.

The current CMRA regulations put MPC owners at a competitive disadvantage. In order to understand how the current CMRA regulations were established in 1999 a history lesson is necessary.

Back in the late 1970's, a smart but misguided person or persons noted that the POSTAL SERVICE had long waiting lists for PO boxes at many Postal Services. Looking for a legal way to provide private PO box services to the public, they stumbled onto the existing 1970s 1583 form.

At that time the 1970s ps 1583 form was being used to transfer, in most cases, commercial mail with a particular address from one business location to another business location. The form was basically a commercial change of address for all or just specific mail items. On the form there was a block to list the address of the mail you wanted forwarded and a block for the address you wanted it forwarded to.

As an example say ABC Company was running a promotion getting people to send an order for some merchandise, the address to order might include a department number.

The 1583 form was then used to have only mail coming to that specific department to be forwarded at no additional charge to another business or commercial address so the Mail Agent could handle the orders.

So, once the mail was transferred it was also considered forwarded and delivered and now out of the mail stream. In addition to being forwarded the mail being transferred was also coming to the forwarding address as a result of a solicitation in many cases. Normally even today the Postal Service will not return or forward mail that arrives as a result of a solicitation without new postage.

That is the reason the Postal Service included the regulation that should any of the mail transferred under this 1583 form required new postage be affixed if it ever entered the mail stream again. The Postal Service viewed these mail pieces had already been forwarded and delivered to the correct new address once.

Our misguided early MPC Owner used the 1583 to make it legal to receive mail for private individuals and other businesses. The way it was done was in block 2 mail that is addressed TO: which would be the customers name along with the MPC store address and in block 3 the same MPC store address. To deliver it TO: and again the same MPC store address would be used in both blocks.

Block 2 Mail Address To  
Jane Customer  
135 Main street s124  
City State zip

Block 3 Deliver to and in Care of  
MPC Store Name  
135 Main Street s124  
City State zip

The customer would sign and now the MPC owner had a legal Postal Service government form to sign people up for mail receiving services. See attached copy of 1978 1583 form at the end of this document.

The 1979 1583 form never should have been used for the purpose of receiving mail for private individuals and other businesses. At the time the 1583 form was intended to be used to transfer mail from one commercial address to another. It would have been so easy for MPC owners to use the existing Domestic Mail Manual regulation about designating another as your agent to receive mail.

From the current Domestic Mail Manual  
Delivery to Addressee's Agent

#### 1.5.1 Basic Standard

Unless otherwise directed, an addressee's mail may be delivered to an employee, to a competent member of the addressee's family, or to any person authorized to represent the addressee. A person or several persons may designate another to receive their mail.

Using the 1970s 1583 form instead of a private agent contract saddled future MPC owners with paying for new postage when they forwarded or returned mail for current or former customers. It also supplied the Postal Service with a weapon to use against MPC owners in the future.

For many years MPC owners were able to return and or refuse mail for former customers who no longer had a valid contract. MPC owners used the right that all Postal Service patrons had to refuse mail to stop mail arriving for former customers.

IN 1999 the Postal Service used revised CMRA regulations to impose a one-year requirement to pay new postage to forward or return mail for former mail receiving customers. The right MPC owners had to refuse mail was taken away by the revised CMRA regulations.

In their original form the revised CMRA regulations that were proposed by the Postal Service were intended to saddle CMRA store owners with a 1-year responsibility to forward and or return all mail for former customers with new postage being paid for each item. The costs to CMRA owners and their customers would have been so high that most stores would have gone out of business or at least stopped offering mail receiving services. New and existing customers would have been required to pay postage deposits amounting to 100s of dollars.

The 1999 CMRA regulations also included a new form 1583A, which required all business owners acting as a Commercial Mail Receiving Agent to file with the Postal Service. One very strange part of the 1583A was it required the CMRA to give up it's right to handle outgoing Registered mail for its mail-receiving customers. The form required MPC owners to give the Postal Service their home address and in some instances it could release the MPC owners home address to leak out to anyone who requested it.

Many store owners believed the new regulations being imposed were caused because AMPC had stood up to the Postal Service before the PRC over a new "Pack and Send Service" that appeared to not be priced competitively and fairly. The PRC ruled against the Postal Service and shortly after that the new punitive revised CMRA regulations were introduced by the Postal Service.

Postal Service officials used the tactics of a bully when they told AMPC officials during a meeting in Washington DC the new revised CMRA regulations were going to take effect and there was nothing about them that could or would be changed. They said it was hopeless for AMPC and MPC owners to fight them. Postal Officials also stated that we should prepare to live with all of the revised CMRA regulations.

The Postal Service all released a media campaign in Post Office Lobby Videos that portrayed all MPC stores as a haven for crooks and criminals who were deceiving the public by using deceptive addressing formats.

MPC owners became so outraged that they started complaining in mass to their local Congressional representatives and local media. Suddenly the Postal Service was willing to discuss the new highly punitive CMRA regulations when bills tied to the new CMRA regulations in Congress that affected Postal Service funding started to appear. Congressmen Ron Paul of Texas even introduced a bill to strike down the proposed CMRA regulations that got bipartisan support from many congressmen.

The Postal Service's new punitive revised CMRA regulations were derailed when it was established during negotiations between the Postal Service, AMPC, Postal Watch, and many other interested parties including some very unhappy congressional representatives that CMRA customers did in fact have the legal right to give MPC owners written instructions in a private contract to not store nor forward their mail when their mail receiving contract had expired. Many of the private contracts also had specific wording that instructed the MPC owners to destroy all mail received after the contract expires.

The no forward MPC owners contract clause de-fanged the very worst part of the punitive revised CMRA regulations and has resulted in most MPC owners legally destroying millions of mail pieces for former customers that should have been returned.

The Postal Service tends to ignore that the reality is the original mailer already pays for return postage. The mail our stores receive has never been forwarded nor has it incurred any additional charges to process when delivered to the MPC owners' store address.

It costs the Postal Service no additional expense when mail is delivered to a CMRA than any other address in this country. In most cases it costs far less. The Postal Service can make one stop and drop off tubs of mail at a Mail and Parcel store and reach hundreds of postal customers. The MPC owners even provide the people to sort and post the mail to the correct boxes. To save even more money for the Postal Service many MPC owners actually go to the Postal Service and pick up their mail.

The revised punitive 1999 CMRA regulations have resulted in the Postal Service escaping since the year 2000 the cost of returning millions of mail pieces that should have been returned free of additional postage charges to the original mailing customer. MPC owners have been forced to purchase shredders to process the mail for former customers that have directed the MPC owner in writing to destroy mail that arrives after the mail receiving contract ends..

In 1999 the revised CMRA regulations also required all CMRA customers change their address to include the PMB or # in the street address with only 6 months notice. Mail that would have arrived after that 6 month period without the PMB or # sign was to be returned by the Postal Service with no notice to the MPC owner.. This new addressing requirement forced MPC owners to raise this issue with all their mail-receiving customers costing all concerned millions of dollars in expenses changing their address and having new stationary printed..

Plus the revised CMRA regulations also put a strain on relations when MPC customers were told some of their very important mail would be returned with no notice by the Postal Service if it arrived without the required designation and format even though the Postal Service would know where it should be delivered to..

The Postal Service maintained at the time that it was deceptive for CMRA customers to receive mail without some designation that indicated the type of address it was going to. The Postal Service raised the issues of deceptive practices at MPC stores that allowed their customers to use designations like Suite and or Apt in their address.

Should the Commission OK the PO Box enchantments without adjustments to the current CMRA regulations? The unfair advantage the Postal Service has over our stores will grow larger. Here is a list of the competitive disadvantages the current CMRA regulations create for Mail and Parcel Store Owners..

1. Stores must handle mail for 6 months for departed and or canceled customers. The regulation also places additional cost of putting new postage on anything received during those 6 months when the mail is forwarded or returned. The cost to pay for this postage can be very high. Prospective new mail box customers are discouraged from establishing service at an MPC store because of the possible costs involved.
2. MPC's are saddled with the expense of providing lists of current and former customers including the date the service was terminated to the Postal Service 4 times per year. These lists require expensive computer systems to create and maintain them.
3. The required lists are to be used by Postal Workers to determine if the mail coming to an MPC is for customers who have filed the proper 1583 forms. Instructions from the Postal Services POM permit Postal Workers to return mail for addressees that does not have the proper addressing format or if the addressee is not on the current customer list without notice to the MPC owner or their mail receiving customer. Big problem is the no notice regulation because these lists are filed once every 90 days. A store could have a current and valid new customers mail returned by the Postal Service because the list they have could be up to 89 days old.

4. We are required to give lists of our current customers to the Postal Service who now chooses to be in direct competition against our stores. There is currently no restriction that would keep the Postal Service from using these lists to contact our customers and try to sell them the new Enhanced PO Box services.
5. Some stores also carry the burden of storing mail for former customers for six months.
6. Our customers are restricted from ever filing a change of address with the Postal Service when their service contract ends at a CMRA.
7. The Postal Service can forward or return mail for former PO Box customers without additional postage and their PO Box customer can use the forwarding service while they are current Postal Service P O Box customers and not have to pay new postage charges to have their mail temporarily forwarded from their P O Box address.
8. A CMRA is not permitted to send out going Registered Mail for their mail-receiving customers. See form 1583A
9. The Postal Service can return legitimate CMRA customers mail for lack of the proper designation with no notice to the addressee or storeowner.
10. CMRA customers lose the right to refuse any or all of their mail. MPC owners are required to accept all mail for current and former customers. There is no distinction made to exempt things like certified and registered mail.
11. When an MPC is abandoned or closed the regulations clearly state a CMRA customer may file a change of address. In many cases customers are still not permitted to file the change by postal officials who don't understand the CMRA regulations that the Postal Service has on the books.
12. A CMRA can have all mail delivery suspended because of the actions of just one of their mail receiving customers. We can be found to be out of what is called full compliance just because one customer is receiving mail with the word "suite" in the address. Even if the customer is unable to get the mailer to stop using the term suite.
13. CMRA customers can face suspension of their mail services with little or no notice. The regulations say only two Postal Officials are needed to find an MPC store out of compliance and all of a store's mail can be stopped because of the actions of just one of the MPC store's mail receiving customers. There's no hearing process nor any sort of appeal can be filed. Plus there is no process for the MPC owner to get mail delivery reinstated after their mail delivery has been suspended.
14. Criminals and Prisoners have better rights when receiving mail than a customer at an MPC..
15. A CMRA address cannot be used to have mail forwarded to on a permanent basis. Only a PO Box at the Post Office can be used as the permanent new address.

I hope when the Postal Service tries to say that MPC stores really don't have a competitive disadvantage the PRC will ask the Postal Service to justify how the 15 items I have listed are not a competitive disadvantage to our stores and industry.

Actually here is what the verbiage the Postal Service will use to justify all the CMRA regulations will look like.

- Why do CMRAs have different policies than Postal Service Box holders?  
Postal Service box holders are customers of the Postal Service and, unlike CMRA; customers do not receive mail services of convenience external to the Postal Service. The CMRA and its customer agree (Form 1583) to payment of new postage to redeposit mail delivered to a CMRA. The Postal Service believes this requirement (existing since September 1960) remains appropriate and fair.

“Receiving mail services of convenience external to the Postal Service”.

“This requirement (existing since September 1960) remains appropriate and fair”

Isn't just about every address in the United States external to the Postal Service? I don't see how getting your mail at a commercial establishment that provides mail receiving services is in any way a service of convince.

I believe every American Citizen has the right to one delivery point for normal mail delivery. Those rights should not be infringed or diminished just because the individual chooses to make their point of delivery a local MPC.

Then the Postal Service finally nails the coffin down with the wording on the 1583 about agreeing to pay to forward or return the mail with new postage. The 1960 1583 form they refer to was never intended to be used as a form for people to get their mail delivered to an independent business as already pointed out.

The PRC during these hearings should ask the Postal Service for all documents relating to the history, creation and use of the original 1960 ps 1583 form. Specifically what was the rationale for having to pay for return or forwarding of mail received through the use of the 1960 1583 form?

If the PRC rules in favor of the Postal Services requested new enhancements in order to avoid a continuation of the competitive disadvantage now placed on MPC stores by the current CMRA regulations. I request that the following parts of the c u r r e n t CMRA regulations be removed so the competitive playing field will be fair to all and also provide a benefit to all postal patrons.

1. The requirements listed on the 1583 form and in the domestic mail manual to place new postage on the mail of former or current CMRA customers mail should be removed. The mail-receiving customers of MPC stores should have their mail forwarded or returned without new postage for 1 year after their contract for service ends.
2. The MPC owner may return and or forward the mail of former customers for one year without any requirements for new postage. Postal Service would accept a change of address from the MPC customer and forward it to the MPC for processing.
3. Make the MPC responsible for placing labels on the former customers mail with a correct forwarding address. If the Postal Service were to try and forward the mail of millions of former MPC customers many problems would occur with lots of mail for current MPC customers being misdirected and lost. Currently the employees of a business, prisoners and former hotel guests may have their mail forwarded without a requirement for new postage. The institution is required to readdress the mail so it can be forwarded or returned. Mail going to a CMRA should be handled in the same manor on a daily basis.
4. MPC stores would be able to charge a reasonable monthly fee to cover the costs of the labeling and labor required to provide forwarding service.
5. Remove the requirement to provide lists of current and former mail receiving customers 4 times per year. Require the MPC store to keep on file current and past rental records that could be inspected periodically or when required by Postal Inspectors.
6. Remove the restriction on handling outgoing registered mail for our mail-receiving customers.
7. The Postal Service should be required to file a report with an MPC owner when any mail is being returned because of an address that is not formatted correctly. Mail should never be returned by the Postal Service without proper notification first.
8. Remove the regulation that currently requires an MPC to accept all mail for it's current and former customers. Restore an MPC stores right to refuse mail when requested to by their customers or if the store deems it necessary.
9. Remove the full compliance language and the ability for just 2 Postal Officials to stop all the mail going to an MPC. Revert back to restoring mail suspensions to the regulations that all postal patrons are currently living with. That would restore the rights of due process to the MPC owners and their customers. Mail suspensions would not require the stoppage of an entire stores mail because of the actions of just one customer.

10. Require the Postal Service to have their customers using the Postal Services street address to use a designation that tells mailers they are still sending to a Postal Service Box. POB would seem to be the best choice. The designation POB would also eliminate most deceptions by dishonest PO Box customers. Letting Postal Service customer use a designation that has been used by MPC store customers since the year 2000 is very unfair.
11. Current regulations that require proper identification should be retained for all customers of both PO Boxes and Private Mail Boxes.

The current CMRA regulations are a result of someone using an incorrect form to start the Private Mail Box receiving services in the late 1970s then modified by the Postal Service to be a weapon to force the MPC stores out of business in 1999 and finally modified because of numerous complaints to government officials and congressional hearings.

Most of the CMRA regulations should be scrapped and MPC stores should have private agent appointment contracts with the requirement to obtain proper identification from their customers. The MPC Stores should also have a rental contract renting the actual mailbox to the customer for a specified length of time at a negotiated rate.

All Postal regulations pertaining to PO Box Customer and Private Mail Box Customers should be equal and fair. The customers of a Mail and Parcel center should no longer be second class citizens.

Robert P Krause Secretary  
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U. S. POSTAL SERVICE APPLICATION FOR DELIVERY OF MAIL THROUGH AGENT		1. DATE <u>26 June 80</u>
<p>In consideration of delivery of my or our mail to the agent named below, the addressee and agent agree that: (1) the Postal Service will not forward my or our mail on a change of address order upon termination of this agency relationship; (2) the forwarding or return of my or our mail is the responsibility of the agent; and (3) all mail, including letters and other first class mail, delivered to the agent under this authorization must be prepaid with new postage when redeposited in the mails.</p> <p>NOTE: This application must be executed in duplicate by applicant in the presence of the agent or his authorized employee. A signed copy will be kept on file by the agent in such manner that it is at all times available for examination by postal representatives.</p>		
<div style="text-align: right; margin-bottom: 10px;"><b>ID'S</b></div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>TO: •</p> <p>Postmaster <u>23452</u></p> <p>BUSINESS PHONE <u>X 481-0131</u></p> <p>HOME PHONE <u>486-4099</u></p> </div> <div style="width: 45%;"> <p>• D/L <u>X 223-56-0068</u></p> <p>C/CARD _____</p> <p>OR/OTHER _____</p> </div> </div>		
<p><b>PRIVACY ACT:</b> The collection of this information is authorized by 39 USC, 403, 404. It serves as the written authority for the delivery of mail other than as addressed. As a routine use, this information may be disclosed to an appropriate law enforcement agency for investigative or prosecution proceedings, to a congressional office at your request, to a labor organization as required by the NLRA, and where pertinent, in a legal proceeding to which the Postal Service is a party. Completion of this form is voluntary, however, if this information is not provided all mail will be delivered as addressed.</p>		
<p>2. MAIL ADDRESS TO (Name, address and ZIP code)</p> <p><u>X JUDITH S. SELLERS / THE SELLERS COMPANY</u></p> <p><u>105 NORTH PLAZA TRAIL SUITE # 224</u></p> <p><u>VIRGINIA BEACH, VIRGINIA 23452</u></p>	<p>3. DELIVER TO AND IN CARE OF (Name, address and ZIP code of agent)</p> <p><u>MAIL DEPOT</u></p> <p><u>105 NORTH PLAZA TRAIL</u></p> <p><u>VIRGINIA BEACH, VIRGINIA 23452</u></p>	
<p>4. NAME OF APPLICANT (Print or type)</p> <p><u>X JUDITH S. SELLERS</u></p>	<p>4a. HOME ADDRESS (Number, Street and ZIP Code)</p> <p><u>X 988 MICHAELWOOD DR. VA BEACH 23452</u></p>	
<p>5. NAME OF FIRM OR CORPORATION</p> <p><u>X THE SELLERS COMPANY</u></p>	<p>5a. BUSINESS ADDRESS (Number, Street and ZIP Code)</p> <p><u>X 3272 E. GROVELAND RD</u></p> <p><u>VIRGINIA BEACH, VA 23452</u></p>	
<p>6. KIND OF BUSINESS</p> <p><u>X BOOKKEEPING, REAL ESTATE</u></p>		
<p>7. If address is a FIRM, name each member whose mail is to be delivered</p> <p><u>X ALL</u></p>	<p>8. If a CORPORATION, give names and addresses of its officers</p> <p><u>X</u></p>	
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<p>9. REFERENCE (Name, address and ZIP code)</p> <p><u>X</u></p>	<p>10. REFERENCE (Name, address and ZIP code)</p>	
<p>11. IF BUSINESS NAME OF THE ADDRESS (Corporation or Trade Name) HAS BEEN REGISTERED, GIVE NAME OF COUNTY AND STATE, AND DATE OF REGISTRATION.</p>		
<p>12. SIGNATURE OF AGENT</p> <p><u>Robert P. Krause</u></p>	<p>13. SIGNATURE OF APPLICANT (If firm or corporation, application must be signed by officer. Show title)</p> <p><u>Judith S. Sellers</u></p>	